



ECONOMIC DEVELOPMENT CORPORATION

EDC LOAN CORPORATION

January 2009 Newsletter

EDC Loan Expands Outreach

In the face of the challenging economic downturn small business faces today, EDC Loan Corporation continues to provide access to affordable long-term financing utilizing the SBA 504 loan program. Although EDC Loan Corporation is primarily focused on small business loans in Kansas City, Missouri, it also has the ability to utilize the SBA 504 program throughout the Missouri side of the metropolitan region and beyond. With the current credit freeze, the SBA 504 loan program continues to be a favored avenue to provide reasonable and affordable long-term financing for real estate projects to small businesses.

The ongoing activities at EDC Loan have further expanded to include developing new relationships with other Missouri resource partners. A recent development of note is a new partnership with the UMKC Small Business and Technology Development Center (Development Center). EDC Loan is now in a position to assist small business clients with various educational business programs designed to stimulate growth and expansion. Through this partnership,

EDC Loan can introduce a small business client to the Development Center and the various business development courses now available. In addition, the Development Center has other program resources available that target entrepreneurial CEOs and their needs. This program is a unique offering that combines experienced instruction with immediate application. More information on this program can be found at www.ceocoachingandmore.com.

The Economic Development Corporation of Kansas City, Missouri continues to be a one stop shop for small business job creation and retention. The staff at EDC Loan coordinates the other complimentary agency resources available to small business clients that are seeking long-term financing. There are many tools that can be combined with the SBA 504 loan that can enhance the financing package, such as tax abatements and tax credits. EDC staff can assist small business in identifying possible facility locations that are currently available and meet the eligibility criteria for tax abatement and or credit.

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Current SBA 504 Funding Rates

10-Year Debenture (January 2009) Note Rate: 5.24696%

20-Year Debenture (January 2009) Note Rate: 5.79871%

Borrower Fee (%)	CDC Fee (%)	1 st 5 years	2 nd 5 years	3 rd 5 years	4 th 5 years	Full Term
0.000	0.625	6.587	6.616	6.705	7.160	6.669
0.000	1.000	6.995	7.039	7.174	7.864	7.119

Effective Rates:

20-Year Debenture (January 2009): 6.669-7.119%

10-Year Debenture (January 2009): 6.831%



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EDC Loan Expands Outreach (Continued):

Some recent client requests have included questions about exporting and how to start. Several area agencies have expertise and are willing to provide guidance. Small business owners can explore exporting opportunities by accessing the article entitled “Global Enterprise- A Primer on Exporting” at www.sba.gov/services/training/onlinecourses, or by contacting the Greater Kansas City Foreign Trade Zone.

The mission of EDC Loan Corporation is to promote small business growth and expansion by providing both educational and financing assistance through a growing network of strategic partners in the area. The staff at EDC Loan is available for formal presentations to individual businesses and business and civic groups. Please contact either Doug Nuckolls at (816) 691-2108, e-mail dnuckolls@edckc.com, or Tom Kenagy at (816) 691-2111, e-mail tkenagy@edckc.com.

**EDC Loan Corporation
2008 In Review**

Loan portfolio serviced by EDC Loan Corporation:

- Over 70 loans
- Over \$13,000,000 in loans
- Over 1,150 FTE jobs created or retained

Four loans approved in 2008, not yet closed, will add:

- Approximately \$3,000,000
- 275 FTE jobs created or retained

On average, one job is created or retained for every \$11,228 loaned.

To learn more about the SBA 504 loan program or other local loan programs of EDC Loan Corporation, please contact staff at EDC Loan Corporation at 816.221.0636.